



0000010947

ORIGINAL

06

Arizona Corporation Commission  
**DOCKETED**

AUG 06 2004

DOCKETED BY	<i>CA</i>
-------------	-----------

July 27, 2004

**BY OVERNIGHT DELIVERY**

Executive Secretary  
Arizona Corporation Commission  
Utilities Division  
1200 West Washington  
Phoenix, AZ 85007-2926

T-04013A-04-0564  
T-04186A-04-0564

RECEIVED  
2004 AUG - 6 P 3:23  
AZ CORP COMMISSION  
DOCUMENT CONTROL

Re: Notification by Network US, Inc. d/b/a CA Affinity and Motion Telecom,  
Inc. of an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of Network US, Inc. d/b/a CA Affinity ("NUS") and Motion Telecom, Inc. ("Motion") (collectively, the "Parties") this letter is to advise the Commission of an Asset Purchase Agreement (the "Agreement") whereby NUS will purchase substantially all of the telecommunications assets of Motion, including but not limited to Motion's customer accounts (the "Acquisition").

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

NUS is a privately held Illinois corporation with principal offices located at 180 N. LaSalle Street, Suite 1820, Chicago, Illinois 60601. NUS is a non-dominant carrier that provides resold interexchange telecommunications services. NUS is a certificated carrier in this State.<sup>1</sup>

Motion is a privately held Colorado corporation with principal offices located at 7101 S. Fulton Street, Suite 200, Englewood, Colorado 80112. Motion is authorized to provide resold interexchange telecommunications services throughout the United

<sup>1</sup>

NUS provides intrastate interexchange telecommunications services in this State pursuant to authority granted in Docket T-04013-A-0317, dated 10/8/02.

States. Motion is a certificated carrier in this State.<sup>2</sup>

The proposed Acquisition will accomplish the following:

- a. Motion will sell, transfer and assign to NUS all of Motion's right, title and interest in substantially all of Motion's telecommunications assets, as defined in the Agreement;
- b. In consideration for the above transfer and sale of Assets, NUS will pay to Motion the purchase price set forth in the Agreement.

NUS proposes the Acquisition to consolidate the business and customer accounts of Motion with NUS in order to create a single, larger provider of telecommunications services, facilitating efficiencies for the benefit to all of NUS's and Motion's customers. Service to Motion's customers will continue uninterrupted.

The customers of Motion will be given the opportunity to switch their service from Motion to a different carrier. (A copy of the customer notice provided by bill insert is attached hereto as Exhibit "A"). NUS anticipates that none of the customers of Motion will experience any change in rates due to the Acquisition. To the extent that any of Motion's rates are not presently included in NUS's Tariffs, NUS will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to the pre-existing customers of either Motion or NUS. Those customers of Motion who choose not to switch their service to a different carrier will receive service from NUS.

The technical, managerial and financial personnel of Motion will assist with the transition and integration of the acquired Assets after the transaction and the technical, managerial and financial personnel of NUS will continue to serve the transferred Motion customers with the same high level of expertise.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by Motion. The Acquisition will serve the public interest in that it will ensure that current Motion customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of NUS to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this State at competitive rates.

The parties are forwarding this letter to the Commission for informational purposes, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, we will proceed under the

---

<sup>2</sup> Motion provides intrastate interexchange telecommunications services in this State pursuant to authority granted in Docket No. T-04186A-03-0406.

Arizona Corporation Commission  
July 27, 2003  
Page -3-

understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.

Enclosed are the original and eleven (11) copies of this letter. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,

EllenAnn G. Sands  
Nowalsky, Bronston & Gothard  
A Professional Limited Liability Company  
3500 North Causeway Boulevard  
Suite 1442  
Metairie, Louisiana 70002  
(504) 832-1984  
Counsel for Network US, Inc. d/b/a CA Affinity



Barbara H. Vonderheid  
Vonderheid & Associates  
8101 E. Dartmouth Avenue, #95  
Englewood, Colorado 80231  
(303) 784-5329  
Counsel for Motion Telecom, Inc.

STATE OF COLORADO

COUNTY OF ARAPAHOE

**VERIFICATION**

I, Mark Gritz, am the President and Treasurer of Motion Telecom, Inc. and am authorized to make this verification on its behalf. The statements made in the foregoing Application are true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters I believe them to be true.

By: \_\_\_\_\_

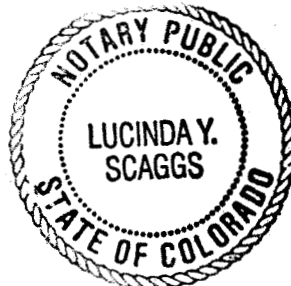
Name: Mark Gritz

Title: President and Treasurer

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this 4<sup>th</sup> day of August, 2004.

Lucinda Y. Scaggs  
Notary Public

My commission expires: 2/5/07



My commission expires: \_\_\_\_\_